

Congress of the United States
Washington, DC 20515

June 30, 2021

The Honorable Shalanda D. Young
Acting Director
Office of Management and Budget
725 17th Street N.W.
Washington, D.C. 20503

Dear Acting Director Young:

We are writing to express our concern with the recommendations by the Metropolitan and Micropolitan Statistical Area Standards Review Committee (Committee), currently under review by the Office of Management and Budget (OMB). We are particularly concerned about the Committee's recommendation to increase the population threshold needed to qualify as a Metropolitan Statistical Area (MSA) from a population of 50,000 to 100,000. Such changes could have lasting impacts on communities across the country, including rural America and the hardworking men and women in our home state of Missouri.

It has been the standard practice for OMB to conduct periodic assessments of metropolitan and micropolitan statistical area standards, with this being the seventh review. The MSA designation threshold was set at a minimum population of 50,000 and has stayed in place since the inaugural standards were implemented before the 1950 Census. In the Committee's report, the only justification offered for revising the MSA designation was that the total population of the United States has more than doubled, and therefore the population level to qualify as an MSA should double as well. While it is understood that OMB uses the data for metropolitan and micropolitan areas for statistical purposes, it is concerning that more attention has not been given to how such a change could impact Americans' lives and the communities they live in.

According to the Committee, increasing the population threshold for the MSA classification from 50,000 to 100,000 would drop 144 areas from their MSA designation, possibly leading to negative effects on these communities. These areas of potential impact are comprised of 251 counties and almost 19 million Americans.¹ **Many federal programs utilize this data to determine how and where funds are to be allocated.** For example, the Department of Health and Human Services uses the MSA designation for the Medicare tier reimbursement system and the Department of Housing and Urban Development uses it for the Community Development Block Grant program.

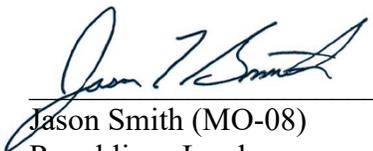
¹ "The New 'Rural'? The Implications of OMB's Proposal to Redefine Nonmetro America," The Brookings Institution, March 18, 2021, <https://www.brookings.edu/research/the-new-rural-the-implications-of-ombs-proposal-to-redefine-nonmetro-america/>

In Missouri, four areas would lose their MSA designation and be reclassified as micropolitan statistical areas, creating uncertainty for several local economies and communities. Those include Cape Girardeau; Jefferson City; Joplin; and St. Joseph. In response to OMB’s notice for public comment, the Missouri Chamber of Commerce and Industry, which represents more than 75,000 employers across the state, stated that these abrupt changes would “make it harder for our state’s businesses to recruit and retain talent in impacted regions” and would “hurt our state’s economic and workforce development opportunities, as many grant programs and site selections are predicated on MSA designations of communities.”² It would be reasonable to assume similar concerns would be shared nationwide.

We urge OMB to conduct a thorough analysis to ensure priority treatment is not given to large coastal cities at the expense of small communities in middle America that serve as the backbone of this country. If the recommendations of the Committee were adopted, it could significantly reduce access to federal resources that provide support to those local communities. As such, we ask OMB to provide a timely response regarding the following:

- 1) Before adopting the recommendations by the Committee, please provide information regarding what federal programs use the Metropolitan Statistical Area status to determine eligibility and funding levels.
- 2) Before adopting the recommendations by the Committee, please provide information regarding the total impact these changes may have on small communities and their economies, including rural areas.

Sincerely,



Jason Smith (MO-08)
Republican Leader
House Budget Committee



Roy Blunt
United States Senator
State of Missouri



Michael L. Parson
Governor
State of Missouri

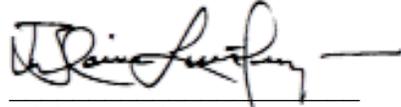


Josh Hawley
United States Senator
State of Missouri

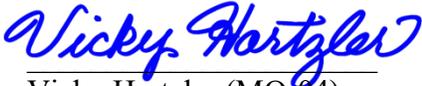
² Federal Register Document #2021-00988, Regulations.gov, March 15, 2021,
<https://www.regulations.gov/comment/OMB-2021-0001-0114>



Sam Graves (MO-06)
Member of Congress



Blaine Luetkemeyer (MO-03)
Member of Congress



Vicky Hartzler (MO-04)
Member of Congress



Billy Long (MO-07)
Member of Congress



Ann Wagner (MO-02)
Member of Congress

cc: Sharon Block, Acting Administrator, Office of Information and Regulatory Affairs